## AMENDED IN SENATE FEBRUARY 17, 2006 AMENDED IN SENATE JUNE 8, 2005 AMENDED IN ASSEMBLY MAY 4, 2005

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

## ASSEMBLY BILL

No. 245

## Introduced by Assembly Member Walters Berg

(Coauthor: Senator Aanestad)

February 7, 2005

An act to add and repeal Section 20133.5 of the Public Contract Code, relating to public contracts. An act to add Section 32100.3 to the Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 245, as amended, Walters Berg. County design-build contracts. Trinity County Health Care District: election of board members.

Existing law provides for the formation and administration of hospital districts including provisions relating to financing through assessments and bond issuance, and the appointment of the governing board setting forth the powers of the board, including, but not limited to, the power to enter into contract for equipping, staffing and operating hospitals.

This bill would, notwithstanding those provisions, require election at large of the board of directors of a health care district formed in the County of Trinity, would set the terms of those members, and would provide for the filling of vacancies.

AB 245 — 2 —

This bill would make certain findings and declarations regarding the inapplicability of a general statute within the meaning of Section 16 of Article IV of the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

Existing law requires public entities to comply with certain procedures in soliciting and evaluating bids and awarding contracts for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law also authorizes, until January 1, 2006, certain counties to enter into design-build contracts, as defined, according to specified procedures.

This bill would additionally authorize Orange County, until December 1, 2011, to enter into design-build contracts, as provided.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 32100.3 is added to the Health and 2 Safety Code, to read:
- 3 32100.3. (a) Notwithstanding Section 32100, the members of the first board of directors of a health care district formed in the County of Trinity shall be elected at large.
- 6 (b) At their first meeting, the members of the directors shall 7 classify themselves by lot into two classes. One class shall have 8 three members and the other class shall have two members. For 9 the class that has three members, the initial term of office shall 10 be four years. For the class that has two members, the initial
- 11 term of office shall be two years. Thereafter, the term of office of all members shall be four years.
- 13 (c) Any vacancies in the office of a member elected to the 14 board of directors shall be filled pursuant to Section 1780 of the 15 Government Code.
- 16 SEC. 2. (a) Due to the unique circumstances concerning the 17 County of Trinity, it is necessary that a hospital district board

-3— AB 245

members be elected through a direct election in that county, and the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

(b) The Legislature finds and declares that, in 2004, the County of Trinity faced severe fiscal problems with the continued operation of the Trinity Hospital. The Legislature responded by enacting Chapter 930 of the Statutes of 2004 to allow the Trinity Public Utility District to exercise the powers of a health care district. Since then, local residents and officials have proposed the formation of a new health care district in the County of Trinity that would have a directly elected board of directors. Because the Local Health Care District Law (Division 23 (commencing with Section 32000)) of the Health and Safety Code, does not permit the initial board of directors of a newly formed health care district to be directly elected, it is necessary for the Legislature to enact a special act which allows for the direct election of that board of directors.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The potential financial and instructional collapse of the Trinity Hospital poses a serious threat to the public health and safety of the residents of Trinity County. An election to form a new health care district in the County of Trinity may be held in November 2006. The newly formed health care district would assume the responsibility for the Trinity Hospital to protect Trinity County's residents' public health and safety. In order to allow local voters to directly elect the health care district's initial board of directors at the earliest possible time it is necessary that this act take effect immediately.

SECTION 1. Section 20133.5 is added to the Public Contract Code, to read:

AB 245 —4—

All matter omitted in this version of the bill appears in the bill as amended in the Senate, June 8, 2005 (JR11)